

FERRY COUNTY PUBLIC HOSPITAL DISTRICT NO. 1
DBA FERRY COUNTY MEMORIAL HOSPITAL
Ferry County, Washington
January 1, 1993 Through December 31, 1993

Schedule Of Findings

1. Ferry County Public Hospital District No. 1 Should Comply With State And Local Travel Requirements

Our review of travel expenses at Ferry County Public Hospital District No. 1 disclosed the following weaknesses:

- a. The district did not require an accounting to be made for travel expenses by employees.
- b. Per diem reimbursed for overnight lodging exceeded the district's authorized allowable rate.
- c. Original receipts supporting the actual overnight lodging costs were not able to be located.
- d. Personal phone calls while on travel status were paid by the district.

RCW 42.24.090 states in part:

All claims authorized under this section shall be duly certified by the officer or employee submitting such claims on forms and in the manner prescribed by the division of municipal corporations in the office of the state auditor.

In accordance with this statute, the Office of State Auditor Bulletin 401 requires the submission of a fully itemized travel expense voucher by an employee or office official.

Further, the district's Resolution 89-50 states in part:

- a. Reimbursement for expense for travel and lodging will be limited to those expenditures incurred by employees on official business of the district which has been previously approved by the Superintendent and/or Commissioner . . .
- c. Lodging and meals will be reimbursed for out of pocket expenses not to exceed \$25.00 per diem for meals and \$75.00 per diem for lodging. Exception to per diem allowance due to site and location of business must be approved in advance of incurring expense . . .

- e. All requests for reimbursement must be fully itemized on approved form, with affidavit signed and nature of meeting or cause for incurred expense

Our review of travel expenses also disclosed that the district's credit card was used to purchase a computer modem.

RCW 42.24.115 states in part:

- (1) Any municipal corporation . . . may provide for the issuance of charge cards to officers and employees for the sole purpose of covering expenses incident to authorized travel
- (2) Upon billing or no later than ten days of the billing date, the officer or employee using a charge card issued under this section shall submit a fully itemized travel expense voucher

The district's management did not understand the importance of an officer or employee making an accounting of travel expenditures. District management did not maintain controls to detect any improprieties.

We recommend that the district:

- a. Implement itemized travel certification forms enabling the district to review for rates being reimbursed and the original receipts as evidence of the expenditure.
- b. Comply with state and local requirements that established the guidelines for travel expenditures.